

### Germany vs United States of America (US)

By Rebecca Kimble, MD, MPH, 13 Dec 2023

#### Context

Germany is a democratic, moderately sized country in central Europe that shares borders with nine other countries. Its total population in 2018 was just under 83 million, 21.7% of whom are over the mandatory retirement age of 65 (Blumel & Busse, 2020). It boasts a long-standing federally mandated, universal insurance-based healthcare system (Germany, 2020).

The US is a large democratic country spanning the northcentral portion of the Americas with a population of over 333 million, of which 17% are over the age of 65 (World Bank Open Data, 2023). In 2023, the US Bureau of Labor Statistics reported that nearly a quarter of those over 65 continue to work. The US Constitution does not include healthcare. Instead, access to care is based on a free-market insurance system (Weismann & Jorge, 2019).

#### Overview

*Germany and the US are both wealthy Northern states that struggle to manage rising rates of non-communicable diseases and preventable death (Nolte & McKee, 2012).*

Germany has 140 years of federally based universal healthcare infrastructure (Blumel & Busse, 2020). Its citizens enjoy low out-of-pocket costs and convenient, comprehensive health coverage ("Health Care in Germany," 2018). According to the World Bank (2023), in 2019, 91% of deaths in Germany were caused by non-communicable diseases (NCDs).

Ninety-two percent of Americans have some form of health insurance via private, employer-sponsored insurance (55%) or public programs, although covered services vary widely (United States, 2020). Many lack primary access and risk catastrophic health costs, but federally governed universal coverage is unlikely in the foreseeable future (Weismann & Jorge, 2019). The leading causes of death in 2019 were NCDs (World Bank Open Data, 2023).

#### Governance and organization

Germany's health system is based on federally mandated insurance, which is satisfied through private and public-run funds (Blumel & Busse, 2020). All options offer comprehensive primary and tertiary care utilizing the same locally run facilities (Yvonne, 2023).

In 2020, the Commonwealth Fund described the US health system as a mix of predominately private employer-based insurance with public options that cover special groups and those at the highest risk. The unfunded Emergency Medical Treatment and Active Labor Act (EMTALA) of 1986 ensures acute care for all who seek it without providing a party responsible for payment (Weismann & Jorge, 2019).

### Access and Quality

Germany has multiple federal statutes that provide care and protect against catastrophic loss (Blumel & Busse, 2020). Their Universal Health Care (UHC) Service Index Score is among the highest worldwide at 88 of 100 (*World Bank Open Data*, 2023). Notably, the Organization for Economic Co-operation and Development (2011) found Germany's score for preventable deaths to be higher than that of many European countries, at 85.5 per 100,000. They note significant gender variation, with men at 90.3 and women at only 65.9. This is possibly attributable to the high rates of tobacco use among Germans, especially men (Graen & Schaller, 2021).

*Germany and the US differ in the directionality of their healthcare approaches. EMTALA allows anyone in the US to seek acute care and worry about paying for it later (Scott et al., 2021). Germany dictates that everyone, even visitors, have insurance to cover care should they need it, and through that plan, complete access is provided*

*With strong federal oversight, the German healthcare system delegates the responsibility of care to the local communities and its citizens to actualize (Germany, 2020). The US also leaves the responsibility of care at a local and individual level. However, it does so without federal guidelines ensuring fair access (Weismann & Jorge, 2019).*

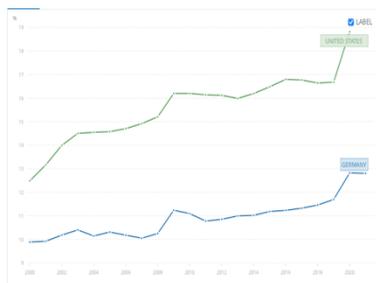
The US has few federal and wide variations in state-mandated protections, leaving millions uninsured (*United States*, 2020) and at high risk of catastrophic health expenditure (Scott et al., 2021). The World Bank reports that two and a half times as many Americans spend more than 10% of their income on healthcare as Germans. Nevertheless, the US maintains its UHC Service Coverage Index of 86 (*World Bank Open Data*, 2023). Schoenbam (2011) found that deaths amenable to health care differ widely based on state, from 158 per 100,000 in the District of Columbia to just 64 per 100,000 in Minnesota, and were strongly associated with income and race.

### Provision and capacity

The European Observatory on Health Systems and Policies Review (2022) reported a robust German health system with 450 physicians and 1,200 nurses per 100,000 citizens. They note nearly 600 acute beds per 100,000 and found that close to 100% of the population was within 30 minutes of an acute care hospital.

The World Bank (2023) data shows the US had 260 physicians and 1570 nurses and midwives per 100,000 citizens in 2019. Hospital beds, all types, totaled less than 300 per 100,000 citizens. Carr et al. (2009) found that 71% of Americans are within 30 minutes of a hospital with an emergency department, but there was significant regional variation. The Northeastern US had better access than the South or Midwest (76% vs 68%, 70%)

## Spending and financing



Current health expenditure (%GDP) – Germany, United States

Germany's percentage of gross domestic product (GDP) spent on health care has been slowly rising for the last 20 years, up nearly three percentage points from 9.9% in 2000 (*World Bank Open Data, 2023*). The same data shows out-of-pocket expense has followed a similar rising course in line with other high-income countries (874\$US per capita vs 843\$US), although above much of Europe (607\$US per capita).

According to the World Bank (2023), US healthcare spending has risen steadily in the preceding two decades (12.5% of GDP in 2000 to 16.7% in 2019, then 18.8% in 2020). The World Bank (2023) reported a decrease in out-of-pocket expenditures in the US for the first time in 2021, falling from 1207\$US in 2019 to 1157\$US in 2020.

## Population health and equity

Life expectancy for those in Germany is 81 years from birth, with women living slightly longer, 83.2 years old, and men slightly less, 78.3 years old (*World Bank Open Data, 2023*). Non-communicable diseases encompassed 91% of all-cause mortality (Blumel et al., 2022). According to the World Health Organization (2023), ischemic heart disease was the leading cause of death for both men and women in Germany. Anti-tobacco advocates call out the common culprit behind the top causes of death is tobacco use, a prominent habit for Germans, especially men (Hampsher et al., 2021).

*Regardless of the underlying psychosocial reasons, both Germans and Americans make choices that shorten their lives unnecessarily. Both countries are faced with the task of understanding these reasons to best come to the aid of their citizens.*

World Bank (2023) reported a continued decline in life expectancy across genders in the US, from an average of 79 between 2010 and 2019 down to 76 years old in 2021. A symposium report by the National Academies of Science et al. (2021) discussed the causes of the decline. It noted that "deaths of despair," such as those related to drugs, alcohol, and suicide, are significant contributors. It cites further root causes associated with economic struggle, race, and lack of social policy.

## Overall assessment:

The US and German health care systems have notable overlap in their approach to care. Both use an insurance-based paradigm and give significant freedom to the citizens to choose the type and level of their care. However, the underlying groundwork and the system interface for patients are radically different, as are the outcomes.

Lessons that can be learned from their comparison are:

- 1. The stress of health insecurity has tangible negative outcomes that can be mitigated with a functioning system.**
- 2. A well-functioning system does not negate the impact of corporate interests, but a poorly functioning system can exacerbate them.**

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